



STATE BOARD OF EQUALIZATION

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BETTY T. YEE
First District, San Francisco

MICHELLE STEEL
Third District, Rolling Hills Estates

JEROME E. HORTON
Fourth District, Los Angeles

JOHN CHIANG
State Controller

BARBARA ALBY
Acting Member
Second District, Sacramento

KRISTINE CAZADD
Interim Executive Director

STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
December 14-16, 2010

PRELIMINARY RECORD OF BOARD ACTIONS

Tuesday, December 14, 2010

The following is a preliminary record of Board actions taken at the December 14-16, 2010 Board Meeting. This is not an official record and is subject to correction or modification. The official record of the Board's actions is the minutes of the Board, which will be adopted at a subsequent meeting.

The Board's decision reflects only the issues resolved by the Board at the meeting. Issues resolved prior to the meeting are not reflected in this document.

If you would like specific information regarding items on this Preliminary Record of Board Action, please telephone Amber Taylor-Forman at (916) 324-5589 or e-mail: Amber.M.Forman@boe.ca.gov Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

Board Committee Meetings Please see Page 16, O., Adoption of Board Committee Reports and Approval of Committee Actions, for voting results.

Board Meeting

Special Presentation

- Presentation of Retirement Resolution

Ms. Jean Ogrod

- A. Homeowner and Renter Property Tax Assistance Hearings
There are no items for this matter.

B. Corporate Franchise and Personal Income Tax Hearings

B1a. Kingston Technology Corporation, 480846

B1b. David Sun and Diana Sun, 480891

B1c. John Tu and Mary Tu, 480894

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal partially granted/denied.	Ms. Yee	No
	Ms. Alby	No
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

B2. Daniel V, Inc., 527082

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

B3. Douglas Gail Hufnagel and Robyn Hufnagel, 510017

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

B4. James Vaughn, 487205, 508867

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

C. Sales and Use Tax Appeals Hearings

These items are scheduled for Tuesday afternoon, December 14, 2010, and Wednesday, December 15, 2010.

D. Special Taxes Appeals Hearings

These items are scheduled for Wednesday, December 15, 2010.

E. Property Tax Appeals Hearings

These items are scheduled for Wednesday, December 15, 2010.

F. Public Hearings

F1. Proposed Amendments to Regulation 1506, *Miscellaneous Service Enterprises*

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

F2. 2011 Timber Yield Tax Rate

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

F3. Timber Harvest Values

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

G. Tax Program Nonappearance Matters – Consent**G1. Legal Appeals Matters**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

- Hearing Notice Sent – No Response
 1. Pacmac, Inc., 380574 (OH)
 2. Thu Anh Le, 479512 (GH)
 3. Jihad Nazzal Nazzal, 357155 (GH)
 4. United Capital Investment Group, Inc., 478843 (UT)
- Petitions for Release of Seized Property
 5. Harbans L. Kathpal and Deepak Kathpal, 549138 (ET)
 6. Jaswinder Singh Sidhu and Harbhajan Singh Sidhu, 549131 (ET)
- Petition for Rehearing
 7. Mokhim Rasooli and Malak Sajadeh, 432459 (AC)

G2. Franchise and Income Tax Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes
No final determination on sub-item 13.		

- Decisions
 1. John V. Black, 449295
 2. Jaime D. Borrego, 512651
 3. Roman D. Cardenas, 482910
 4. Jose L. Celis, 483663
 5. Lowene Clemente, 495843
 6. Priscilla Dawn, 521624
 7. Jacque Doiron, 485958
 8. Ernesto M. Dorado, 450396
 9. My-Lien Do, 415395
 10. Lee Gale, 258580
 11. David Graffam, 468765
 12. Troy Jolliff, 491091
 13. ~~Outrigger Marina I., LLC, 472893~~
 14. Charles R. Nixon and Jeanne F. Nixon, 461716

15. Valerie Parish, 472909
16. Jan Tutupoly and Deetje A. Lisapaly, 468744
- Petitions for Rehearing
 17. Robert A. Forslund, 496775
 18. Frederick M. Fox, 468764
 19. Mark S. Harker and Suzanne K. Harker, 464522
 20. Lucile T. Hemann, 491065
 21. Gary Laub, 468084
 22. Clovus M. Sykes, 512493

G3. Homeowner and Renter Property Tax Assistance Matters
There are no items for this matter.

G4. Sales and Use Taxes Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes except not participating in sub item 3.

- Redeterminations
 1. Makino, Inc., 515800 (OH)
 2. Derco, Inc., 136570 (BH)
 3. Abbott Laboratories, Inc., 426773 (OH)
 4. National Railway Equipment Company, Inc., 529263 (OH)
 5. The Jim Henson Company, Inc., 446668 (AS)
 6. AF Services, Inc., 402634 (AS)
- Denials of Claims for Refund
 7. GTE Mobilnet of Santa Barbara, LP, 316922 (OH)
 8. IBM Credit, LLC, 496756 (OH)
 9. Santander Consumer USA, Inc., 515790 (OH)
 10. Nevada Reliance Equipment Leasing, LLC, 512645 (AS)

G5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes except not participating in sub item 27.

➤ Refunds

1. Pacific Sales Kitchen and Bath Centers, Inc., 547728 (OH)
2. Quiedan Company, 510048 (GH)
3. Marines Memorial Association, 518684 (BH)
4. California Casualty Management Company, 497153 (OH)
5. Scripps Health, 495268 (FH)
6. State of California-California Lottery, 506177 (KH)
7. Regents of the University of California, 468396 (JH)
8. Certainteed Corporation, 547786 (OH)
9. Mercedes-Benz USA, LLC, 549343 (KH)
10. First American Commercial Bancorp, Inc., 523039 (OH)
11. Metropolitan Finance, LLC, 507633 (AP)
12. Metropolitan Finance, LLC, 527072 (AP)
13. City Car Share, 548275 (BH)
14. Travis Credit Union, 435159 (JH)
15. J. Solanki Corporation, 531037 (AS)
16. Konecranes, Inc., 514983 (OH)
17. Members 1st Credit Union, 523309 (KH)
18. Miller-DM, Inc., 492471 (AS)
19. Halozyme, Inc., 483490 (FH)
20. Central Purchasing, LLC, 477998 (AR)
21. Creative Impact Agency, LLC, 487844 (AC)
22. Altaone Federal Credit Union, 524921 (AR)
23. Sonic Wilshire Cadillac, Inc., 509242 (AS)
24. Samsung Telecommunications America, LLC, 477941 (OH)
25. GILC Incorporated, 512057 (GH)
26. Santander Consumer USA, Inc., 515790 (OH)
27. General Electric International, Inc., 546754 (OH)
28. Amberwood Installation, Inc., 528679 (GH)

There are no items for the following matters:

- G6. Special Taxes Matters
- G7. Special Taxes Matters – Credits, Cancellations, and Refunds
- G8. Property Tax Matters
- G9. Cigarette License Fee Matters
- G10. Legal Appeals Property Tax Matters

H. Tax Program Nonappearance Matters – Adjudicatory**H1. Legal Appeals Matters**

➤ Cases Heard But Not Decided

1. Commodore Cruises and Events, Inc., 424031, 514975 (CH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

2a. Kerry Michael Lawrence, 439774 (KH)

2b. Robert A. Schimpf, 437280 (KH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

3. Susan Hilary Tregub, 425147 (AS)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

4. Iradj Nazarian, 400357 (FH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

H2. Franchise and Income Tax Matters

➤ Decisions

1. ~~Sylvia Bellew (Deceased) and Philip K. Lee (Trustee), 459746~~

2. F. Thomas Eck, 383414

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

3. Hank Feenstra and Catherine Feenstra, 464316

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

4. Wayne J. Pollard Insurance Agency, Inc., 496538

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

➤ Cases Heard But Not Decided

5. Christopher J. Hadsell and Catherine C. Hadsell, 477797

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal granted.	Ms. Yee	No
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

6. Brent C. Welling and Viki Lee Welling, 348029

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

7. Frank J. Vigil, 402865

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

There are no items for the following matters:

- H3. Homeowner and Renter Property Tax Assistance Matters
- H4. Sales and Use Taxes Matters
- H5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds
- H6. Special Taxes Matters
- H7. Special Taxes Matters – Credits, Cancellations, and Refunds
- H8. Property Tax Matters
 - Petitions for Reassessment of Unitary Value
 - 1. Verizon California, Inc. (201), 538247 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

2. Pacific Pipeline System, LLC (486), 538073 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Not participating
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

3. Pacific Terminals, LLC (488), 538078 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Not participating
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

4. Conterra Uta Broadband, LLC (8089), 537379 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition granted.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

H9. Cigarette License Fee Matters
There are no items for this matter.

H10. Legal Appeals Property Tax Matters

➤ Petition for Reassessment of Unitary Value

1. San Diego Gas & Electric Company (141), 537387 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

2. Pacific Bell Telephone Company (279), 538081 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

3. Elk Hills Power, LLC (1126), 538071 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	Not participating
	Mr. Horton	Yes
	Mr. Chiang	Yes

4. Delta Energy Center, LLC (1128), 538221 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

5. Pastoria Energy Facility (1131), 538224 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

6. Calpine Construction Finance, Co., LP (1132), 538225 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

7. Metcalf Energy Center, LLC (1133), 538226 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

8. Otay Mesa Generating Company, LLC (1134), 538231 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

9. Los Esteros Critical Energy Facility, LLC (1143), 538233 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

10. AT&T Communications, Inc. (2310), 537386 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

11. AT&T Mobility, LLC (2606), 538083 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

12. Covad Communications Company (7706), 538674 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

13. CBeyond Communications LLC (8049), 538673 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

➤ Petition – Penalty Abatement Unitary Escape

14. MetroPCS California/Florida, Inc. (2733), 492233 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

15. BT Americas, Inc. (7758), 450954 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

➤ Petition – Reassessment/Penalty Unitary Escape

16. Pacific Bell Telephone Company (279), 496050 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

I. Tax Program Nonappearance Matters**I1. Property Taxes Matters**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not participating

- Audit
 1. Citizens Telecommunications Company of California, Inc., (284) 'CF'
- Unitary Land Escaped Assessment
 2. California Rural Service Area #1, Inc., (2761) 'CF'
- Unitary Escaped Assessment
 3. ST Network Services, LLC, (3435) 'CF'
- Board Roll Changes
 4. 2008, 2009, and 2010 Board Rolls of State-Assessed Property 'CF'

I2. Offers-In-Compromise Recommendations

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

1. In Young Ho
2. Guetsso LLC

I3. Local Tax Reallocation Matters

- Hearing Notice Sent – Appearance Waived
 1. City of Torrance, 433194

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Jurisdiction's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

2. City of Torrance, 433198

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Jurisdiction's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

4.

Chief Counsel Matters

There are no items for the following matters:

- J. Rulemaking
- K. Business Taxes
- L. Property Taxes
- M. Other Chief Counsel Matters

Administrative Session

The following items are scheduled for Tuesday afternoon, December 14, 2010.

- N. Consent Agenda**
- O. Adoption of Board Committee Reports and Approval of Committee Actions**
- P. Other Administrative Matters**

Q. Closed Session

These items are scheduled for Thursday, December 16, 2010.

C. Sales and Use Tax Appeals Hearings

C1. United Spas Manufacturing, Inc., 389563 (KH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
The Board directed staff to inform the taxpayer of payment plan options and the Offers in Compromise program.	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

C2. Fernando Olvera Barragan and Claudia Olvera, 436181 (JH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

Administrative Session**N. Consent Agenda**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

N1. Retirement Resolutions

- Judy L. Hecox
- Dean Mosqueda
- Jean Ograd

O. Adoption of Board Committee Reports and Approval of Committee Actions

O1. Legislative Committee – November 16, 2010

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted committee report and approved the actions therein. For details see: http://www.boe.ca.gov/legdiv/legmeetings10.htm	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

O2. Business Taxes Committee – December 14, 2010

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted committee report and approved the actions therein. For details see: http://www.boe.ca.gov/meetings/btc2010.htm	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

O3. Customer Service and Administrative Efficiency Committee – December 14, 2010

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted committee report and approved the actions therein.	Ms. Yee	Yes
	Ms. Alby	Yes
For details see:	Ms. Steel	Yes
http://www.boe.ca.gov/meetings/custsrv/custsrv10.htm	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

P. Other Administrative Matters

P1. Executive Director's Report

1. Employee Recognition Award Program

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

P2. Chief Counsel Report
There are no items for this matter.

P3. Sales and Use Tax Deputy Director's Report

1. Collection Cost Reimbursement Program Implementation Plan

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Alternative 1 as recommended by staff.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

2. Field Office of the Future Update

P4. Property and Special Taxes Deputy Director's Report
There are no items for this matter.

P5. Administration Deputy Director's Report

1. Facilities Update

- a. Headquarters Facilities
Update on the Headquarters remediation project.
- b. Headquarters Annex
Update on the Headquarters annex locations.

- c. San Diego/San Marcos Site Search
Update on the site search to relocate the San Diego and San Marcos Offices.
- 2. 2010/11 and 2011/12 Budget Update, Union Agreements, Furlough Plan and Layoffs
 - a. Information regarding the Governor's 2010/11 Budget, the Union Agreements, Governor's Executive Order S-12-10, State Employee Furlough, and layoffs.
- P6. Technology Deputy Director's Report
There are no items for this matter.

Q. Closed Session

UNOFFICIAL



STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA
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 First District, San Francisco

MICHELLE STEEL
 Third District, Rolling Hills Estates

JEROME E. HORTON
 Fourth District, Los Angeles

JOHN CHIANG
 State Controller

BARBARA ALBY
 Acting Member
 Second District, Sacramento

KRISTINE CAZADD
 Interim Executive Director

STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
December 14-16, 2010

PRELIMINARY RECORD OF BOARD ACTIONS

Wednesday, December 15, 2010

The following is a preliminary record of Board actions taken at the December 14-16, 2010 Board Meeting. This is not an official record and is subject to correction or modification. The official record of the Board's actions is the minutes of the Board, which will be adopted at a subsequent meeting.

The Board's decision reflects only the issues resolved by the Board at the meeting. Issues resolved prior to the meeting are not reflected in this document.

If you would like specific information regarding items on this Preliminary Record of Board Action, please telephone Amber Taylor-Forman at (916) 324-5589 or e-mail: Amber.M.Forman@boe.ca.gov Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

Board Meeting

Special Presentation

- Presentation of Board Resolution
 Ms. Barbara Alby

E. Property Tax Appeals Hearings

Petitions for Reassessment of Unitary Value

E1. Lodi Gas Storage, LLC (198), 538665

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

E2. Golden State Water Company (101), 538248, Waived Appearance

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

Petition for Reassessment of Unitary Escaped Assessment

E3. Golden State Water Company (101), 496057, Waived Appearance

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	No
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

C. Sales and Use Tax Appeals Hearings

C3. Front Page Communications, Inc., 361961 (AA)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
No final Board determination.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes
The Board ordered that the appeal be submitted for decision, granting the taxpayer 30 days to file supporting documents, the Department 30 days to respond, and the Appeals Division 30 days thereafter to review parties' submissions and provide its recommendation to the Board.		

C4. Lockheed Martin Government Services, Inc., 300158 (OH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

C5. Sunkist Enterprises Corporation, 469916 (CH), Waived Appearance

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

~~C6. William Brett Corbin, 434956 (EA)~~**D. Special Taxes Appeals Hearings****Seized Property Appeal Hearings**~~D1. Kashmir Singh Khinda, 536518 (ET)~~

D2. CRC/TR Corp., 537954 (ET)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Ms. Alby	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes



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STATE BOARD OF EQUALIZATION MEETING

450 N Street, Room 121, Sacramento

December 14-16, 2010

PRELIMINARY RECORD OF BOARD ACTIONS

Thursday, December 16, 2010

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Board Meeting

Q. Closed Session